

State Corporation Commission 2006 Fiscal Impact Statement

1. Bill Number SB406

House of Origin ☐ Introduced ☒ Substitute ☐ Engrossed

Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. Patron Hanger

3. Committee Passed Senate; communicated to House

4. Title Electric authorities.

5. Summary/Purpose:

Electric authorities. Amends the Electric Authorities Act. Limits distribution of electric energy for retail sale by an authority to the geographic area that was served as of January 1, 2006 by the governmental unit that is the sole member of an authority. In addition, a governmental unit no longer has to conduct a referendum in order to create a single member authority of which it is the sole member. Furthermore, a single member authority undertaking a project is held to the same state and federal provisions, and to the same extent, that would have applied to the governmental unit that is the sole member of such authority if such governmental unit had directly undertaken the project. The Virginia Personnel Act and the Virginia Public Procurement Act apply to a single member authority to the extent that such provisions would have applied to the authority's single member governmental unit in the exercise of such power directly. Also provides that nothing in the Electric Authorities Act shall be construed to impair or abridge the exclusive territorial electric distribution rights or property rights of any certificated incumbent public service company operating in Virginia. No such authority is authorized or empowered to take by condemnation, eminent domain, or otherwise, the electric distribution system, utility facilities or other utility property of any public service company without the consent of the public service company. The bill further exempts single member authorities from the Virginia Electric Utility Restructuring Act and from state and local taxation in the same manner that the governmental unit would be exempt from such taxation.

6. No Fiscal Impact on state agencies.

7. Budget amendment necessary: No.

8. Fiscal implications: None on state agencies.

9. Specific agency or political subdivisions affected:

10. Technical amendment necessary:

11. Other comments: House Bill 1187 appears to be a duplicate.

Date: 02/7/06 / cdw

cc: Secretary of Commerce and Trade